

DD/S REGISTRY  
FILE Personnel

OGC Has Reviewed

17 AUG 1964

MEMORANDUM FOR: Director of Personnel

SUBJECT : Recruitment Program for Senior Scientific  
EngineersREFERENCES : (a) Memo dtd 25 July 64 to DDCI fr DD/S&T,  
same subj  
(b) Memo dtd 7 Aug 64 to EO-DD/S fr Associate  
General Counsel, same subj

1. I am returning to you Dr. Wheelon's request for the establishment of a recruitment program for senior scientists and engineers and I invite your attention to the General Counsel's memorandum on this same subject, a copy of which was sent to you directly.

2. You are authorized to proceed with the recruitment program substantially as outlined by the Deputy Director for Science and Technology with the stipulation that each proposal to employ a scientist under the terms specified will be submitted to the General Counsel for review before employment commitments are made. The rate of compensation specified in the contract plus the cost of insurance must not exceed the maximum which may be paid to a GS-18. Meanwhile, you should proceed to prepare and submit for publication all necessary revisions  to correct the pay rates and provide coverage for the contract employment of selected scientists and engineers who are on leave of absence from their employers.

25X1

SIGNED R. L. Barmann

for L. R. White  
Deputy Director  
for Support

Orig. retained by DD/S: (17 Aug 64)  
Attachment: Memo dtd 25 July 64 to DDCI fr DD/S&T,  
same subj

SA-DD/S:RHW:yn (14 Aug 64)

Distribution:

Orig - Adse w/att  
1 - DD/S Subj w/att

Approved For Release 2003/02/27 : CIA-RDP84-00780R000600110009-7

1 - RCS

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OGC 64-3266a

7 AUG 1964

MEMORANDUM FOR: Executive Officer to the DD/S

SUBJECT: Recruitment Program for Senior  
Scientific Engineers

1. You have requested our comments on the memorandum of 25 July, subject as above, from the DD/S&T to the DDCI (DD/S&T-2027-64), which we return herewith.

2. We believe the recruitment program as outlined in the program is legally unobjectionable, with the following reservations:

(a) Since the scientists who are recruited are to remain on a leave-of-absence status with their employer companies, it would be necessary for the Agency, in particular this Office, to consider the situation with respect to each such individual in order to arrange his employment and his duties in a way which will not be in violation of the conflicts-of-interest laws.

(b) HR ☐ provides for recruitment of specially qualified scientific personnel and prescribes rates of compensation. (That regulation, incidentally, indicates that specially qualified scientific personnel will be paid at GS 16-GS 18 rates and also specifies those rates, which are those established by the Federal Employees Reform Pay Act of 1962. Now that those rates have been changed by the Pay Act of 1964, it would be in order to modify the regulation.) We believe the cost of insurance which the

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25X1 Agency will furnish must be considered compensation to the individual. Thus, the rate of compensation specified in paragraph 1. a. of the contract and the cost of insurance provided under paragraph 1. d. may not exceed the maximum which may be paid a GS 18. Travel costs, on the otherhand, are not compensation within the limits of HR [ ]

25X1 2. There is no legal requirement that the memorandum be directed to and approved by the DDCI. It is noted also that under HR [ ] each appointment of a specially qualified scientific person requires the approval of the DCI. (In this connection HR [ ] 25X1 contemplates recruitment of appointed personnel rather than contract personnel. Since the persons to be recruited under this memorandum would perform staff duties, it seems appropriate that HR [ ] be applied to them also.) 25X1

[ ] 25X1

Associate General Counsel

Attachment a/s

cc: DD/S&T  
D/Pers

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4 AUG 1964

Office of General Counsel

Attn:

Headquarters

Colonel White has reviewed the attached proposed Recruitment Program and sample contract but would like to have your advice before passing it along. He feels that since OSI has vacant Scientific Pay Schedule positions against which to recruit there is little need to send this to the DDCI.

Will you please return the papers to DD/S with your comments.



VRT

Executive Officer to the  
Deputy Director for Support

Headquarters

EO-DD/S:VRT:maq (3 Aug 64)

Distribution:

Orig - OGC w/O of DD/S 64-4136

✓ 1 - DD/S Subject w/ccy DD/S 64-4136 (temp)

1 - DD/S Chrono

DD/S 64-4136: Memo dtd 25 Jul 64 to DDCI fm Albert D. Wheelon, subj: Recruitment Program for Senior Scientists and Engineers

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DATE 29 JUL 1964	
TO: Executive Officer/DDS	
ROOM NO.	BUILDING
	HQ
REMARKS:	
<p>Mr. Echols has discussed this program with Colonel White.</p> <p>Mr. Echols suggested to DD/S&amp;T that they formalize the plan for approval in principle by the DDCI. The sample contract which we have included in the package was prepared for the first candidate who withdrew after being appointed to an important new position in his company.</p>	
FROM: Acting Director of Personnel	
ROOM NO.	BUILDING

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ROUTING AND RECORD SHEET

SUBJECT: (Optional)

FROM:

Acting Director of Personnel

EXTENSION

NO.

DATE

29 July 1964

TO: (Officer designation, room number, and building)

DATE

RECEIVED

FORWARDED

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1. Deputy Director for Support

2. General Counsel

3. Director, BPAM

4. Executive Director-Comptroller

5. Deputy Director of Central Intelligence

6. Deputy Director for Science & Technology

7.

8.

9.

10.

11.

12.

13.

14.

15.

016264-3266

Recommend approval. A sample of the contract which would be used in these cases has been attached.

Acting Director of Personnel

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64-3266

DD/S&T-2027-64

25 JUL 1964

MEMORANDUM FOR: Deputy Director of Central Intelligence

SUBJECT : Recruitment Program for Senior Scientists and Engineers

1. This memorandum submits a recommendation for your approval. Such recommendation is contained in paragraph 6.

2. As part of a concerted recruitment program to fill a number of Scientific Pay Schedule positions, the Office of Scientific Intelligence has been carrying on negotiations with industrial firms to obtain the services of selected scientists and engineers. These individuals will be on leave of absence from their companies for a specified term. They will receive no compensation in any form from their companies and will, by this and other means, satisfy any conflict of interest requirements. In collaboration with the Office of Personnel and the Office of General Counsel, we have devised a contract arrangement for these individuals.

3. OSI is currently authorized a ceiling total of 13 Scientific Pay Schedule positions. Three of these positions are filled. OSI proposes to fill as many as nine additional planned positions in this manner. No more than two or three of the individuals are to come from any one company. Preliminary talks have been held with senior officials of General Dynamics, Martin-Denver, and Bell Telephone Laboratories.

4. It is our intention to broaden this program to other elements of the Directorate if needs dictate. In this regard, I recently sent to the West Coast Dr. [ ] a senior scientist with our Systems Analysis Staff, to discuss general scientific personnel cutbacks with

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SUBJECT: Recruitment Program for Senior Scientists and Engineers

25X1 a selected number of industrial concerns. Dr. [ ] was accompanied by Mr. [ ] field recruiter. The purpose was to determine the level of talent being placed on the employment market by present and anticipated personnel reductions. In addition, general discussions were held with senior executives of the various companies, concerning the acquisition, on a two or three year basis, of highly qualified and technically talented scientists and engineers. The prospects, as reported by Dr. [ ] are encouraging.

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5. Our discussions with the Director of Personnel and the representative of the Office of General Counsel indicate a contractual arrangement will, in most instances, be more desirable than staff appointment inasmuch as it will permit us to afford selected scientists and engineers essentially those benefits which they now obtain from their industrial employer. In every instance, however, the employee will fill one of the authorized Scientific Pay Schedule positions during his assignment to the Agency and will be paid in accordance with the salary structure of the Scientific Pay Schedule. We are currently considering the qualifications of a number of interested individuals.

6. It is recommended that you approve the establishment of this recruitment program, subject to the continued advise and counsel of the Office of Personnel and the Office of General Counsel.

[ ]

ALBERT D. WHEELON  
Deputy Director  
for  
Science and Technology

25X1

APPROVED:

\_\_\_\_\_  
Deputy Director of Central Intelligence

\_\_\_\_\_  
Date



25X1

Mr.

Dear

1. By the signatures to this contract you are employed by the Central Intelligence Agency as a contract employee. The terms and conditions of your employment are set forth below.

a. Compensation. You will be compensated at the rate of \$20,575 per annum. Federal and State taxes, as well as social security taxes, will be withheld therefrom and submitted by CIA.

b. Travel. Your travel entitlements will be identical to those of an appointed CIA employee except as specified below:

(1) You will be provided accountable funds for the costs of travel by you and your dependents (including per diem) from your present place of residence to Washington, D.C.

(2) You will also be provided accountable funds for the costs of shipment of up to 7,000 pounds net weight of household and personal effects from your present place of residence to Washington, or, at your option, for the costs of storing, for the period of your employment under this agreement, 7,000 pounds of household effects. You may elect to ship a portion of 7,000 pounds and store the remaining portion.

c. Leave. Your leave entitlements will be identical to those of an appointed CIA employee except as specified below:

(1) Annual leave shall be accrued at the rate of 20 working days per year.

(2) Although sick leave shall be accrued at the rate of 13 working days per year, in the event of need, you may be granted additional periods of sick leave. Any grant will be made solely at the discretion of the Agency.

d. Insurance.

(1) Term life insurance in the face amount of \$60,000 will be furnished you at Agency expense.

(2) You will be provided health and accident insurance offered by the Government Employees' Health Association for contract employees. The premium costs thereon will be borne by the Agency.

(3) You will be eligible to apply for income replacement insurance which, after an initial period of disability, provides a maximum benefit of \$100 per week if totally disabled as a result of an accident. This insurance is offered to preferred risks only and is, therefore, limited to full-time employees who have no disqualifying physical impairments. If accepted, premium costs will be borne by the Agency.

e. Workman's Compensation. By virtue of your employment relationship with the Government hereunder, you are entitled to coverage under the Federal Employees' Compensation Act. For reasons of security all claims thereunder submitted by you, your heirs or legal representatives will be initially processed by this Agency.

f. Severance Pay. In the event this contract is terminated in accordance with subparagraph 3.a., you will receive severance pay in an amount equal to 1/12th of your annual compensation.

g. Retirement. Your employment will qualify for Social Security purposes and Social Security taxes will be withheld. Your employment will not qualify for participation in the Civil Service retirement system.

h. Penalty for Breach. If the Agency determines you have breached this contract by nonperformance of duties, by revelation of classified information to an unauthorized person or otherwise, you will pay the Agency an amount equal to Government funds expended under subparagraph 1.b. (1) and (2) above times the ratio the number of months remaining in the term of the contract bears to 24.

2. You are required to keep forever secret all classified information which you may obtain by virtue of your association with the Government hereunder, unless released in writing by this Agency from such obligation. Revelation of classified information to any unauthorized person without such prior release may subject you to criminal prosecution under the laws of the United States and will constitute a breach of this contract. Termination of this contract will not release you from this obligation.

3. This contract is effective as of \_\_\_\_\_, and shall continue for a period of two (2) years unless sooner terminated:

a. At the discretion of the Central Intelligence Agency, with 30 (thirty) days' written notice to you; or

b. Without advance notice by the Central Intelligence Agency in the event the Agency determines that you have breached this contract.

Termination under this paragraph will be accomplished by written notice to you from the Contracting Officer. Any such notice is final.

CENTRAL INTELLIGENCE AGENCY

BY \_\_\_\_\_  
Contracting Officer

ACCEPTED:

\_\_\_\_\_  


WITNESS:

\_\_\_\_\_

APPROVED:

\_\_\_\_\_

STAT

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